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POWER AFRICA
Leveraging Partnerships to Increase
Access to Power in Sub-Saharan Africa

"POWER AFRICA" & PARTNER COUNTRY ENERGY IN THE NEWS
June 29 – July 12, 2014

Article Summaries & Full Clips

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IN THE NEWS: Featured “Power Africa” Articles

June 29 – July 12, 2014

POWER AFRICA DEVELOPMENTS

NBET Shares Knowledge on PPA Drafting with Recipient Countries, Articles
July 8 | This Day Live
The Nigerian Bulk Electricity Trading Plc (NBET) has partnered with two key agencies of the United States (US) to provide lucid knowledge on drafting and implementation of Power Purchase Agreements (PPA) for independent power projects (IPPs) to benefit the African countries involved the Power Africa initiative.

Opinion: Electrify Africa, Energize Africa and Power Africa: Partnering With Africa for the Long Run
July 2 | Roll Call
Tony O. Elumelu is an entrepreneur, philanthropist, and chairman of Heirs Holdings Limited, a pan-African proprietary investment company with interests in strategic sectors of Africa’s economy. Elumelu is also the founder of the Tony Elumelu Foundation, an Africa-based and African-funded philanthropic organization dedicated to the promotion of entrepreneurship on the continent.

Opinion: Power Africa Forms U.S. Bridgehead in Hoped for Boom Market
June 30 | African Energy
Launched by President Barack Obama in Cape Town one year ago, the Power Africa initiative has been making bold claims about its early successes in a campaign to boost Sub-Saharan Africa's (SSA) installed generation capacity by some 10GW and connect some 20m more homes and businesses to the grid by 2020.

The U.S.-Africa Leaders Summit: A Focus on Foreign Direct Investment
July 11 | Brookings Institute Blog
On the second day of President Obama’s three-day U.S.-Africa Leaders’ Summit, the U.S. Department of Commerce and Bloomberg Philanthropies will convene the inaugural U.S.-Africa Business Forum. This event represents an unprecedented occasion for U.S. and African heads of state to meet with business leaders and discuss ways of catalyzing new, continent-wide trade and investment opportunities.

Opinion: Power Off / Power On - What you need to know about the 1.4 billion people living without electricity — and how you can help light up their future
June 25| ONE Campaign
Energy poverty simply means a lack of affordable, reliable electricity needed to support a comfortable, prosperous standard of living. Billions of the world’s energy poor aren’t connected to any power source. And for those who are connected to the grid, the actual flow of electricity is sporadic and blackouts frequent.

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IN THE NEWS: Featured Partner Country Energy News

June 29 – July 12, 2014

ETHIOPIA

Ethiopia approves 15 pct spending increase in 2014/2015 budget
July 8| Reuters
Ethiopia's parliament approved a 178.6 billion-birr ($9.2 billion) budget for 2014-2015 on Monday, a 15 percent rise from the previous year that will boost spending on education, health and road building.

Ethiopia's Electric Power Export Growing – Minister
June 27 | Ethiopian Radio and Television Agency
Ethiopia's effort to create power integration in Eastern Africa consolidates its economic benefits and the capacity to generate power, Alemayehu Tegenu, Water, Irrigation and Energy Minister, has said. The Minister said the power integration not only strengthens the relations among the countries, but also increases the foreign currency earning of Ethiopia.

GHANA

Ghana, others win Renewable Energy funding
July 8 | Business & Financial Times Online
Nine African countries, including Ghana, have been chosen to receive funding and operational support from the Climate Investment Fund's (CIF) Scaling-up Renewable Energy in Low Income Countries Programme (SREP).
In their final decision, the SREP sub-committee agreed that it will provide up to US$300,000 for each country to undertake development of an SREP investment plan.

Ghanaians undertake grid connected solar training
July 10| VibeGhana.com
The DSTC Solar Training Centre is undertaking the training of 14 Ghanaians in grid connected solar course in Accra.
The 10-day training, sponsored by German Development Cooperation (GIZ), will be delivered by Mr Geoff Stapleton, the Master Trainer and assisted by Technical Trainers of DSTC Mr Richard Arthur, and Nicholas Opoku Kwarteng.

KENYA

Bluesea eyes Meru 40-megawatt wind power plant
July 10 | businessdailyafrica.com
Bluesea Energy plans to put up a 40-megawatt wind power plant in Meru, making it the second firm to target the county.The Kenyan firm published a notice on Thursday for public discussion, joining Kenya Electricity Generating Company in investing in the region.

Kenya Power injects US$32 million in government subsidised scheme
July 07 | African Review
Kenya Power (KP) company is set to spend US$32mn to connect 8,000 new customers in a government subsidised scheme for low income households especially in rural areas across Kenya. Under the scheme, Kenya Power is targeting prospective customers within a radius of 600 metres from transformers and will be carried out by the Rural Electrification Authority (REA), it said.

Kenya seeks investors for two geothermal power plants
June 30| Reuters
Kenya invited bids on Monday for the construction of two electricity generation plants from underground gas for a combined 60 MW from geothermal power. Endowed with vast geothermal energy resources in the Rift Valley, the east African nation wants to expand its generation capacity by 5,000 MW by 2017 from about 1700 MW now, to lower tariffs and cut costs of doing business.

GE taps smart solutions to Kenya's energy crisis
July 7 | businessdailyafrica.com
Five million of Kenya's eight million households are not connected to the national grid, according to the International Finance Corporation, but the private sector is now accelerating the continent's electricity uptake by deploying alternative solutions. General Electric is one of them.

Solar Street Lighting Project Boosts Trade in Homa Bay
July 7 | The Star

Homa Bay County Governor Cyprian Awiti (r), his deputy Hammilton Orata and politician Mark Matunga at Sena Market during the launch of the solar strret lights. The solar lights which have been introduced in Homa Bay County to curb insecurity and to extend business hours.

LIBERIA

Ellen Reminds America of Power Commitment
July 7| The New Dawn
President Ellen Johnson-Sirleaf says she is holding America to its commitment recently made to see the light all over Liberia.

NIGERIA

100 million Nigerians have no access to electricity'
July 1 | Punch
The Director, International Centre for Energy and Environment Development, Mr. Ewa Eleri, has said about 100 million Nigerians have no access to electricity. He disclosed this in Abuja during a one-day workshop on renewable energy, organised by Winrock International.

FG Ramps Up Efforts on Off-Grid Rural Electrification Programme
July 8 | This Day
The federal government has said that its recent initiative aimed at providing off-grid electricity supply to rural communities across the country will soon go into the next implementation phase.

Harmonising policies for African energy provision
July 9 | Africa Review
Opportunities for investment in Nigeria's power generation and distribution infrastructure are set to become more attractive under the next and final phases of privatization.

Nebo inaugurates automated payment system for power sector
July 9 | DailyPost Nigeria
The Minister of Power, Prof. Chinedu Nebo, on Tuesday in Abuja inaugurated an automated Power Collect Command Centre meant to ensure transparent revenue collection and payment in the electricity value chain.
Nebo said that the centre, which was developed by the Market Operator (MO) in conjunction with the CBN Nigeria Interbank Settlement System (NIBSS), will ensure equitable revenue collection and payment in line with international best practice.

TANZANIA

Seven Killed Due to Illegal Electricity Connection in Kilimanjaro
July 10 | Tanzania Daily News
Residents in Kilimanjaro Region have been warned against illegal power connection as seven people are reported to have died from such incidents. Residents, often assisted by people posing as Tanzania Electric Supply Company (Tanesco) staff, have been causing harm to themselves, their property and other electric power users.

Tanzania needs 3800MW in 11 years
July 6| East Africa Business Week
Tanzania's annual power demand is expected to increase between 11% to 13% over the coming years. This is largely due to a combination of a mounting electricity deficit, rapidly growing urbanisation and improving standards of living.

ZECO Vows to Connect Rural Homes With Electricity
July 8 | Tanzania Daily News
Zanzibar Electricity Company (ZECO) has vowed to continue taking power to rural areas in order to ensure the service brings economic change to the people. ZECO General Manager, Mr Hassan Ali Mbarouk, made the pledge when addressing Kilombero villagers in North Unguja Region.

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Energy In Africa

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1. NBET Shares Knowledge on PPA Drafting with Recipient Countries, Articles | THISDAY LIVE

Source URL: http://www.thisdaylive.com/articles/power-africa-nbet-shares-knowledge-on-ppa-drafting-with-recipient-countries/182966/
July 8, 2014

by Chineme Okafor

The Nigerian Bulk Electricity Trading Plc (NBET) has partnered two key agencies of the United States (US) to provide lucid knowledge on drafting and implementation of Power Purchase Agreements (PPA) for independent power projects (IPPs) to beneficiary African countries in the Power Africa initiative of US President, Barack Obama. The agencies, the US Department of Commerce Commercial Law Development Program (CLDP) and the United States Agency for International Development (USAID) recently partnered with the NBET to host a regional workshop aimed at refining annotations in PPAs, which are drafted and signed for development of IPPs in the African power market.

Initiated in furtherance of President Obama's Power Africa initiative, which seeks to double access to power in sub-Saharan Africa by unlocking the substantial wind, solar, hydropower, natural gas and geothermal resources in the region to decrease poverty and advance economic growth, the regional workshop had participants from across benefitting countries in the West African sub-region.

A recent statement from NBET in Abuja explained that the CLDP was being tasked by USAID to improve the legal and regulatory environment for power projects in the Power Africa countries and it was asked to help in the process.

According to the statement, CLDP's expected technical assistance focuses on streamlining the project development process through the annotation and explanation of core provisions in PPAs and related documents. The NBET is vastly experienced on this process, having signed its first Greenfield IPP PPA with Azura Power West Africa for the 450 megawatts (MW) open cycle gas turbine power station in Edo State.

The NBET had also from signing of PPAs with the seven recently privatised Power Holding Company of Nigeria Plc. (PHCN) successor Generation Companies (GENCOs) and the finalisation of some other PPAs gained substantial experience in drafting PPAs such that its choice by the Power Africa team was reportedly lauded by participants at the workshop.

The statement noted that the three day regional workshop was focused on acquainting Power Africa governments and private sector stakeholders in the West African Sub-region with the draft annotated PPA tool which delineates choices and consequences to a core set of PPA provisions.

Also considered at the workshop were the development and refinement of the annotated PPA provisions, with the added perspectives and input from relevant government and private sector stakeholders in West Africa.
NBET equally stated that the workshop was a follow up to one that was held in the US earlier in March and in which key government stakeholders from some African countries, leading power project and energy experts from firms in Africa, Europe and the US, as well as the Atlantic States Legal Foundation Inc. (ASLF) and US Overseas Private Investment Corporation (OPIC) were in attendance.

"The March 2014, workshop was to review and annotate the most heavily negotiated and disputed provisions within power project contracts. The identified core set of PPA provisions were annotated with a list of choices and consequences for risk allocation and bankability of the PPA," the statement said.

Also, the Managing Director of NBET, Mr. Rumundaka Wonodi stated in his opening remarks at the workshop that: "Of all the suite of contractual documents associated with a typical IPP, the PPA is the principal revenue document for the project developer.

NBET is honoured to support Power Africa by partnering with CLDP and USAID; as such NBET is humbled to share experiential lessons learned with international experts, key players in Nigeria's post-privatised power sector and other Power Africa countries attending the workshop."

The NBET, which is also known as the Bulk Trader is the federal government's counterparty to the PPA for the supply of power through the national grid. By providing the revenue document in the entire suite of transaction documents, the NBET ultimately guarantees that power projects are executed in Nigeria.

2. Electrify Africa, Energize Africa and Power Africa: Partnering With Africa for the Long Run | Roll Call Opinion

Source URL: http://www.rollcall.com/news/Electrify-Africa-Energize-Africa-and-Power-Africa-Partnering-with-Africa-234438-1.html
July 2, 2014
by Tony O. Elumelu

Monday, 30 June, was the first year anniversary of President Obama's Power Africa initiative, the president's signature initiative for the continent which seeks to expand electricity to address poverty alleviation and economic growth.

The shortage of energy in Africa obstructs progress in healthcare, education, food security, and all forms of industrial and commercial activity, impeding Africa's economic development. By elevating the issue of energy poverty and launching a coordinated, strategic approach to tackling it, the US government has galvanized companies in-country and around the world to see the African power sector as a viable investment opportunity, and has brought private sector leadership and solutions to address Africa's development needs. Already, Power Africa has succeeded in facilitating deals that will deliver nearly 3,000 megawatts of additional power in participating countries. Furthermore, its very existence has encouraged other African nations to initiate reforms within their power sectors, in anticipation of future opportunities to participate in power deals and partnerships. To ensure continued momentum and expanded reach, legislation is needed to codify the expansion of access-to-electricity in Africa as a long-term development and foreign policy priority of the US government. In addition to the 'Power Six,' there are dozens more African countries eager to partner with the US to bring electricity to their citizens.

While there is much progress to celebrate, several challenges still exist. Insufficient infrastructure for power distribution not only threatens to waste valuable megawatts and slow the initiative's progress, it endangers the existing power generation infrastructure. Furthermore, inadequate national regulatory frameworks constrain the operations of producers utilizing gas for power. Between these two issues, the benefits of our collective cooperation cannot be fully translated to increased power access.

The Electrify Africa Act passed the U.S House of Representatives on May 8 with broad bipartisan support and the Energize Africa Act was reported out of the Senate Foreign Relations Committee on June 24. If Power Africa is enhanced and expanded through legislation, it can pay economic dividends to both the US and Africa, while delivering substantial development gains on the continent. One such gain would be a significant reduction in the operating costs of businesses. This legislation, along with the Africa Growth and Opportunity Act (AGOA), will help lay the foundations for a new US-Africa relationship; one based not on humanitarian assistance, but on partnership for mutual economic benefit – and one that allows entrepreneurship to be the engine of social development.

It is the hope of many of us in the African private sector, and those of us who have made commitments to support the ambitions of Power Africa, that Congress reconciles the bills before the August recess and passes legislation that gives US agencies the flexibility to partner with African countries to develop their own energy resource priorities.

This would enable President Obama to sign the law in the presence of the more than 40 African Heads of State who will convene at the White House for the African Heads of State Summit on 6 August. Such a historic event would be remembered as the moment when the White House, Congress, African leadership and the private sector stood together to initiate a new kind of partnership, one that seals our collective commitment to bring electricity and opportunity to 589 million African citizens who deserve a brighter future.

Tony O. Elumelu is an entrepreneur, philanthropist, and chairman of Heirs Holdings Limited, a pan-African proprietary investment company with interests in strategic sectors of Africa's economy. Elumelu is also the founder of the Tony Elumelu Foundation, an Africa-based and African-funded philanthropic organization dedicated to the promotion of entrepreneurship on the continent.

3. Opinion - Power Africa Forms U.S. Bridgehead in Hoped for Boom Market | African Energy

Source URL: http://allafrica.com/stories/201407011632.html?viewall=1
June 30, 2014

Launched by President Barack Obama in Cape Town one year ago, the Power Africa initiative has been making bold claims about its early successes in a campaign to boost Sub-Saharan Africa's (SSA) installed generation capacity by some 10GW and connect some 20m more homes and businesses to the grid by 2020.

Power Africa claims it will make some $7bn available in financial support and loan guarantees from 12 government agencies, led by the Export-Import Bank of the United States (Ex-Im Bank), Overseas Private Sector Investment Corporation and US Trade and Development Agency (TDA).

It aims to 'de-risk' projects, to facilitate the inflow of some $15bn in private sector investment into an initial six target countries - Kenya, Tanzania, Ethiopia, Nigeria, Liberia and Ghana - although US officials emphasise that all of SSA is equally open to receiving support.

Obama's initiative is focused on accelerating the development of clean energy sources and adoption of energy-efficient technologies (like the Africa-EU Energy Partnership). Through its Beyond the Grid programme, Power Africa seeks to facilitate investment in off-grid and small-scale power projects.

But the initiative is being invoked on all possible occasions; for example, as a driver behind Ex-Im Bank approving a guarantee for Caterpillar exporter Energyst. It is central to Washington's SSA trade drive.

As Ex-Im Bank chairman Fred Hochberg observed, his agency "is committed to expanding US trade with sub-Saharan Africa, which is home to seven out of ten of the world's fastest-growing markets."

US officials seem genuinely energised by their agencies' involvement in Power Africa - gaining momentum from Obama's global appeal and the pressure he can exert on government to unpack resources. Power Africa is seen by analysts as probably the only big African element potentially gilding in Obama's fast-looming 'legacy'.

Among recent highlights was the 3-4 June US-Africa Energy Ministerial meeting, chaired by Department of Energy secretary Ernest Moniz in Addis Ababa, and attended by 350 business leaders and government officials, including more than 30 African energy ministers.

Power Africa was prominent at big industry events such as Spintelligent's mid-May Africa Utility Week in Cape Town and EnergyNet's 2014 Africa Energy Forum, held on 18-20 June in Istanbul.

US critics question its ability to meet targets within its five-year time frame. Others fear its main impact could be to help General Electric and US Inc.'s other heavy hitters to muscle out rivals for bankable projects. (American critics, such as APR Energy chief operating officer Brian Rich, say even this is unlikely given bureaucratic, financial and other constraints in tapping Power Africa support).

Only a small percentage of Power Africa's headline numbers is likely to come from direct financing. "We are not a bucket of money", commented a senior diplomat based on the continent.
Power Africa is about leveraging support, by mitigating risk, encouraging private investment and unravelling the many blockages that have long stopped a majority of projects from going ahead.

The appointment of US-funded 'transaction advisors' to key positions in ministries, power pools and other strategic positions, coupled with targeted early stage financing, reflect an accurate analysis of the weak points that have held back developments in generation, transmission and distribution across SSA.
Power Africa is supporting subtle transformative impacts - working "to confront the need to overcome stickiness in the system", as the diplomat put it.

Transaction advisors like Eric Olo in Nigeria (who is also chief commercial officer of investor North South Power) have undoubted financial expertise, to champion projects and unravel difficulties.

This strengthens the support offered by TDA, which provides technical assistance and financial support for pre-feasibility studies - in the process giving projects an American flavour (and specifications) from the start.

A range of stakeholders canvassed by African Energy welcomed moves such as putting embedded advisors into the Southern African Power Pool and its East and West African counterparts, "to work through the issues".

With the African Union pushing for its Programme for Infrastructure Development in Africa of slow-moving big ticket projects, Power Africa's commitment to helping 'transformational projects' should win friends in high places. Consequently, the non-US (usually lead) partners in several high profile Power Africa schemes have told African Energy they can accept US grandstanding if it forces open doors to build SSA's missing infrastructure.

This is a View article from the African Energy newsletter, a source of independent analysis on the continent's energy industries produced by Cross-border Information[1], a business intelligence company with a long established research focus on the politics, energy and financial sector trends of Africa and the Middle East.

4. The U.S.-Africa Leaders Summit: A Focus on Foreign Direct Investment | Brookings Institute Blog

Source URL: http://www.brookings.edu/blogs/africa-in-focus/posts/2014/07/11-foreign-direct-investment-us-africa-leaders-summit
July 11 2014
Editor's Note: The U.S.-Africa Leaders Summit blog series is a collection of posts discussing efforts to strengthen ties between the United States and Africa ahead of the first continent-wide summit. On August 4, Brookings will host "The Game Has Changed: The New Landscape for Innovation and Business in Africa," at which these themes and more will be explored by prominent experts. Details on how to register for the event will be available soon.

On the second day of President Obama's three-day U.S.-Africa Leaders' Summit, the U.S. Department of Commerce and Bloomberg Philanthropies will convene the inaugural U.S.-Africa Business Forum. This event represents an unprecedented occasion for U.S. and African heads of state to meet with business leaders and discuss ways of catalyzing new, continent-wide trade and investment opportunities.

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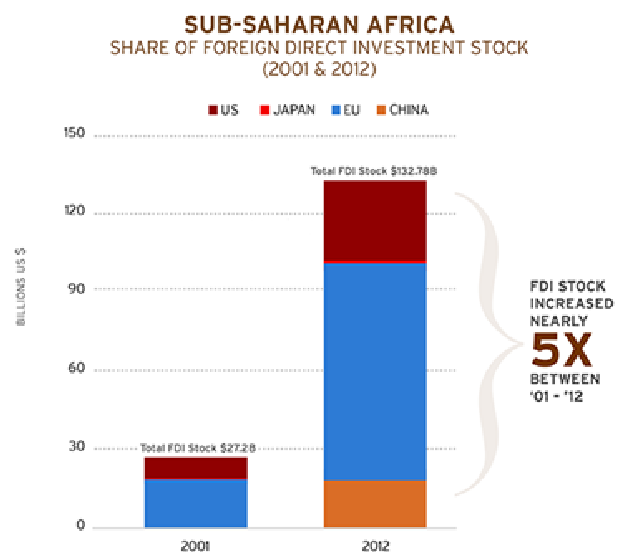
As the summit draws closer, the Brookings Institution's Africa Growth Initiative (AGI) has reviewed and compared economic relations between sub-Saharan African countries and some of their major commercial partners: the U.S., China, the European Union (EU) and Japan. In this second installment of the Africa Leaders Summit series, AGI examines the trends of U.S. foreign direct investment in the region and proposes potential topics of focus for the forum, to help inform the participants on the key investment issues.

Foreign Direct Investment in Sub-Saharan Africa: Trends and Highlights

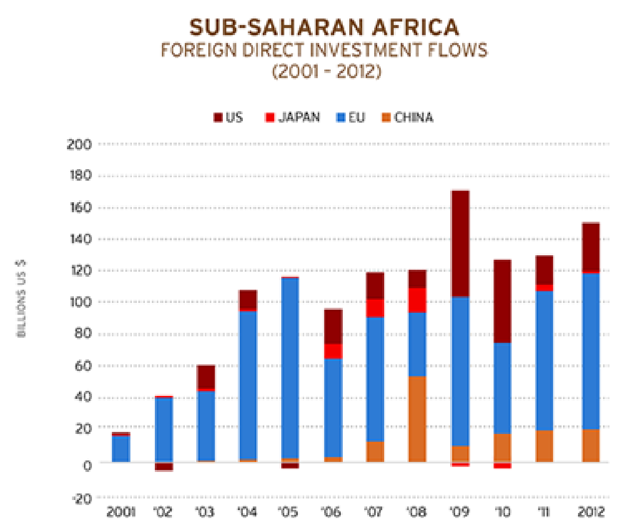
FDI to sub-Saharan Africa has increased substantially, in part driven by China, but remains low compared to other regions.

Since 2000, global FDI stock in sub-Saharan Africa has increased dramatically, from over $33.5 billion to $246.4 billion in 2012. According to analysis of UNCTAD's Bilateral FDI Statistics (2014) [1], **the EU, China, Japan and the U.S accounted for approximately 54 percent of the stock of FDI in the region in 2012.** South-South investment was also important and included partners such as South Africa (9 percent), Singapore (6 percent), India (5 percent) and Mauritius (5 percent).



The stock of FDI in sub-Saharan Africa from the EU, China, Japan and the U.S. grew by nearly five times between 2001 and 2012, from $27.2 billion to about $132.8 billion. This growth was primarily driven by China, whose FDI grew at an annual rate of 53 percent, compared with 29 percent for Japan, 16 percent for the EU and 14 percent for the U.S.

Five EU member countries —France (38 percent), the U.K. (31 percent), Germany (8 percent), Belgium (8 percent)—accounted for over 80 percent of the EU's share of FDI stock in the region. While the EU is considered the largest of the four partners in terms of FDI stock, when the EU is disaggregated by country, the U.S. and France were the largest sources of FDI stock for sub-Saharan Africa in 2012 at $31 billion each, followed by the U.K. with $25 billion. Yet, even though the U.S. is one of the top contributors of FDI stock to sub-Saharan Africa, **less than 1 percent (0.7 percent) of the U.S.'s global FDI stock abroad is destined for the region.** The U.S primarily invests its $367 billion of FDI in Europe (55 percent), Latin America (13

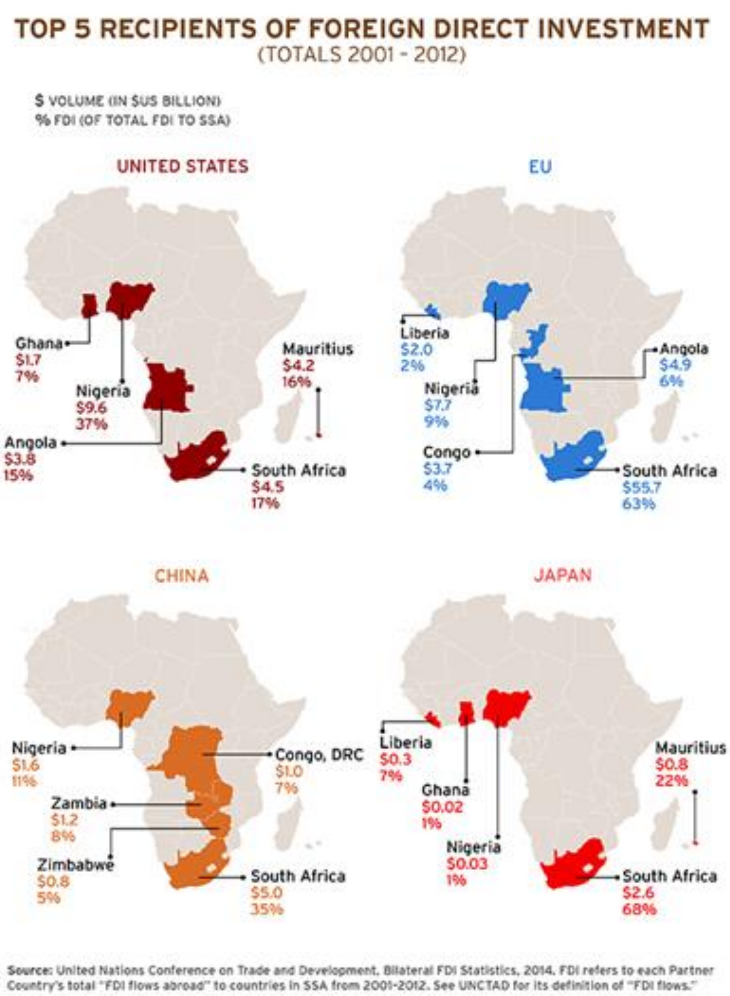


Source: United Nations Conference on Trade and Development, Bilateral FDI Statistics, 2014. "FDI flows" refer to each Partner Country's "FDI flows abroad" to countries in SSA from 2001-2012. "FDI stock" refers to each Partner Country's "FDI stock abroad" to countries in SSA in 2001 and 2012. See UNCTAD for its definition of these terms.

percent), Canada (8 percent), and other developed countries such as Australia, New Zealand, Israel and Japan (13 percent collectively). Similarly, the EU and Japan direct only 0.8 and 0.2 percent of their FDI, respectively, toward sub-Saharan African countries abroad. **China, on the other hand, invested 3.4 percent of its FDI stock abroad in the region in 2012.**

FDI flows to sub-Saharan Africa are highly concentrated in only a few countries; South Africa and Nigeria are the top recipients of sub-Saharan Africa-bound FDI flows for China, the EU and the U.S. The top destinations for U.S. FDI flows in the region are Nigeria (37 percent), followed by South Africa (17 percent) and Mauritius (16 percent). For the EU, South Africa comprises 68 percent of its FDI flows to sub-Saharan Africa while for China, South Africa receives 35 percent of its flows. For Japan, South Africa is also the top recipient (with 68 percent of flows), but Mauritius (22 percent) and Liberia (7 percent) each receive sizable shares as well.

Predominantly resource-rich countries—South Africa with its precious metals and minerals as well as Nigeria with its oil reserves—receive a majority of FDI, indicating that natural resources remain a significant factor in attracting investors to the continent. For example, the main sectors in which the U.S. and China both invested in sub-Saharan Africa were the mining and extractive industries, comprising approximately 58 percent and 30.6 percent of each country's FDI stock to the region, respectively, in 2011. [2]However, financial services, manufacturing and construction also received notable shares of FDI stock from both countries. **China's reported FDI composition was more diversified** than the composition of U.S. FDI, with 19.5 percent in financial services, 16.4 percent in construction, 15.3 percent in manufacturing, and the remaining 18.2 percent in business and tech services, geological prospecting, wholesale retail, agriculture and real estate. U.S. FDI was concentrated 12 percent in finance and insurance, 5 percent in manufacturing and 25 percent in other industries. Despite this emphasis on mining and extractive industries in 2012, according to the World Investment Report of 2014, international investors are increasingly looking to new opportunities in consumer-oriented sectors (such as information technology, foods, financial services and wholesale retail) that target the region's expanding middle class.

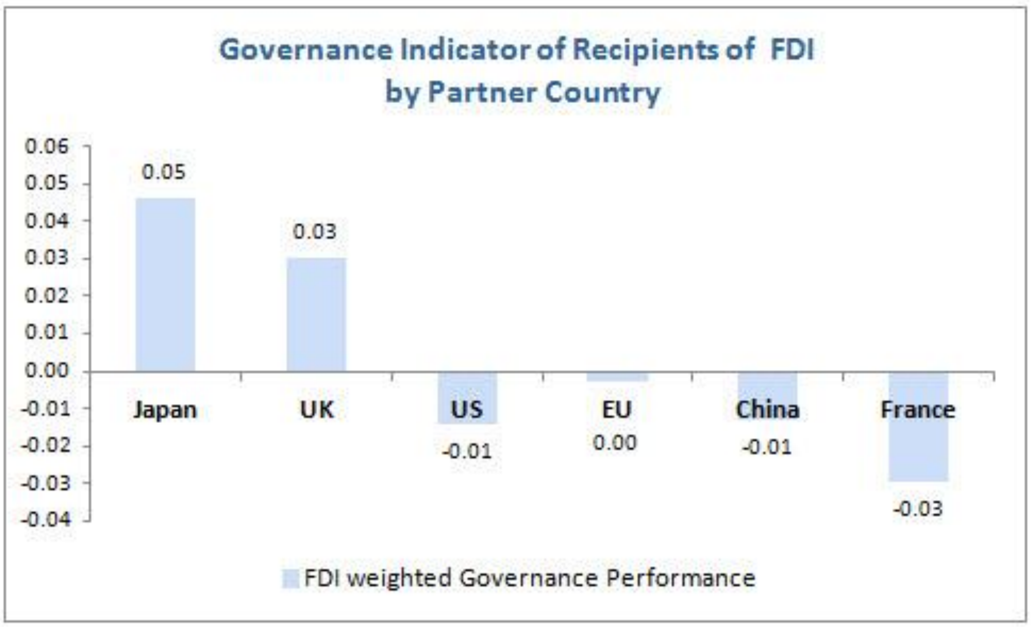


Investors' Pledge for Good Governance in Sub-Saharan Africa

Along with the appetite for mineral resources, energy and other returns that drew massive investment into Africa, we compared the status of the quality of governance in the countries where the U.S., Japan, the EU and China invested in 2012.

Investing in countries with relatively higher governance performance can reflect at least three concerns: (i) the investors' level of risk aversion, (ii) the pursuit of democratic principles or non-ideological relationship based on non-interference, and (iii) the level of pressure from global consumers, who are increasingly scrutinizing their choices along the global value chains according to the respect of governance indicators, such as respect for human rights.

We used the World Governance Indicators [3] in 2012 produced by Kaufman, Kraay and Mastruzzi, which cover six dimensions of governance: voice accountability, rule of law, government effectiveness, political stability, regulatory quality, and control of corruption. The governance index ranges from -2.5 (weak) to 2.5 (strong governance performance). In 2012, Botswana and Mauritius top the list with a score of governance performance of 0.71 and 0.66 respectively, while Zimbabwe and the Democratic Republic of the Congo (DRC) are at the bottom with a respective score of -1.35 and -1.74.



Our computed levels of average governance indicators (weighted by the share of total FDI flows in the host countries between 2001 and 2012) are comparable across the EU, U.S. and China. Japan's investment is concentrated in South Africa where the overall governance performance is high. When we disaggregated the EU by individual member countries, France has the largest share of investment in countries with the lowest levels of governance.

Given its focus on oil-producing countries with low governance levels, the U.S. is comparable to other regions. Importantly, however, the U.S. Dodd-Frank Act, which requires public disclosure of payments at the project level from listed companies, involved in extractive industries. Other initiatives require companies to eliminate conflict minerals from their supply chains. For instance, the use of coltan originating from the DRC and neighboring countries is effectively banned. UNCTAD data actually show no record of U.S. investment stock in the DRC from 2007 onwards. The EU has a similar set of policies manifested in its Accounting and Transparency Directives. Furthermore, the U.S., along with China, the EU and Japan, is a participant in the Kimberley Process, which has banned the sale of "blood diamonds." Other transparency initiatives supported by the U.S. include the Extractive Industries Transparency Initiative (EITI), the International Tropical Timber Organization (ITTO) and the International Chamber of Commerce (ICC) Rules on Combating Corruption. [4]

Engagement through Bilateral Investment Treaties

Bilateral investment treaties (BITs) are agreements signed between countries aiming to promote FDI by ensuring certain guarantees [5]—against expropriation, for example—for investors in unstable business environments. BITs are low-cost options to encourage business climate reform while simultaneously signaling investor commitment to host countries and providing them with policy space to design and implement their development agendas. These BITs and other international investment arrangements (IIAs) have proliferated widely over the past 50 years: the total number of BITs globally reached 2,902 [6] in 2013 with the number of sub-Saharan Africa-specific BITs comprising at least 300 of these treaties.

Among sub-Saharan Africa's partners there is significant variation in the number and distribution of BITs with the continent. China has BITs with 27 sub-Saharan African countries [7], signing 10 in the past 10 years.[8] For the EU, member countries negotiate BITs bilaterally, and France has 18 in sub-Saharan Africa, the U.K. has 21 and Germany has 39. The U.S. has six, and Japan has only one. So why is the U.S. so far behind in the number of BITs it has enacted?

According to Benjamin Leo from the Center for Global Development, it is in part due to the U.S.'s limited "negotiating capacity"—it has only a few foreign commercial officers on the ground to negotiate these treaties, whereas the EU and China have distributed delegations of commercial attachés at offices and embassies in nearly all African countries. The U.S. has also focused its efforts on establishing trade and investment framework agreements (TIFAs) in the region, which provide a forum for engaging in discussions on trade and investment, but do not confer protections on investors or indicate a serious commitment to host countries since they are not legally binding. Furthermore, the U.S. Model BIT, which it uses in its negotiations, is a very dense and complicated legal document, which is difficult for many countries to review and discuss without adequate legal support (that some of them lack). These compounding factors hinder the U.S. from establishing mutually beneficial investment agreements with countries in sub-Saharan Africa.

Policy Recommendations

There is ample scope to expand the U.S.'s investment strategy with Africa. The U.S. funnels less than 1 percent of its FDI abroad toward the region, and it invests largely in only a few countries and sectors. While the perceived risks of investing in Africa have historically been high, rates of return have also proven to be high, averaging 11.4 percent on inward FDI for the period 2006-2011 (compared with 5 percent for developed countries) [9]. UNCTAD's World Investment Report 2013 also reported that four of the top 20 economies with the highest rates of return on inward FDI in 2011 were in sub-Saharan Africa.

- **One way in which the U.S. can increase FDI to sub-Saharan Africa is through the promotion of BITs.** African countries are seriously engaging in the negotiation of BITs: Among the most active countries at concluding BITs (globally, in 2013) were Mauritius and Tanzania, which each concluded three BITs. The U.S. should reciprocate this engagement by focusing its efforts on implementing sustainable-development-oriented, legally-binding BITs [10]rather than TIFAs; providing technical assistance to reform business environments and reduce the cost of doing business; and establishing BITs with strategic countries like Nigeria. With China and the EU continuing to sign BITs, the U.S. risks being "locked out" of certain markets or industries.

- **So-called "blended initiatives," such as Power Africa, offer another useful model to increase investment** through partnerships between the African private sector, U.S. government agencies, African governments, and other partners like multilateral institutions such as the African Development Bank.

At the same time, African policymakers should engage the U.S. authorities and its private sector to:

- **Get more transfer of knowledge and skills from FDI.** For example, policymakers can provide incentives for investors to include local businesses in the value chain and invest in education and training;
- **Reduce illicit financial flows** from tax evasion, the underpricing of concessions and trade mispricing; and
- **Strengthen African common institutions.** For instance, the NEPAD-OECD Africa Investment Initiative aims to raise the profile of Africa as an investment destination while facilitating regional cooperation and has led to a number of investment policy reviews in four South African Development Community countries (Mozambique, Botswana, Tanzania and Mauritius).

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[1] The FDI data were collected from UNCTAD's publically available Bilateral Investment Statistics database, 2014, which provides bilateral, geographically disaggregated data on stocks and flows from 2001-2012. Our analysis specifically focused on outward FDI or FDI abroad, originating from our selected partners and destined for sub-Saharan African countries. Data on the European Union was aggregated for all EU member countries (at time of accession).

[2] Figures based on Chinese White Paper on Economic Cooperation (2013) and a 2012 CRS paper entitled "U.S. Trade and Investment Relations with sub-Saharan Africa and the African Growth and Opportunity Act." Data for the EU and Japan were not available.

[3] The Mo Ibrahim Foundation also produces governance performance indices specifically from sub-Saharan African countries that monitor changes in 182 indicators of governance from judicial process independence to equity of access to public services. Their index scores range from 0 to 100, where 100 is the best possible score. Mauritius (83) and Botswana (78) had the strongest governance performance while the Democratic Republic of the Congo (31) and Eritrea (32) had the worst performance.

[4] The U.S. is a candidate country for EITI and is also a supporting government stakeholder in the initiative, but is not yet on record as being an EITI compliant country.

[5] According to the Office of the United States Trade Representative, these include most-favored-nation treatment for investors, protection against expropriation and/or provision of adequate compensation, the right to transfer investment funds using market-based exchange rates, limitations on performance requirements, the authority to choose their top managerial personnel and access to international arbitration to settle investment disputes.

[6] Plus an additional 334 IAAs.

[7] Data on BITs are from UNCTAD's country-specific list of BITs, however, the Chinese White Paper on Economic Cooperation (2013) states that China has signed more than 30 BITs.

[8] This includes Benin, Chad, the DRC, Equatorial Guinea, Guinea, Madagascar, Mali, Namibia, Seychelles (not yet entered into force) and Uganda.

[9] Figures based on statistics in UNCTAD's World Investment Report, 2013, p. 33.

[10] Sustainable-development-oriented features include measures explicitly stating that that countries should not take measure to promote investment that would harm health, safety and environmental standards. They also ensure public policy space for host countries and minimize exposure to investment arbitration.

5. Power Off / Power On - What you need to know about the 1.4 billion people living without electricity — and how you can help light up their future | ONE Campaign

URL Source: https://medium.com/@ONECampaign/power-off-power-on-9bb5789a2c6a

Jun

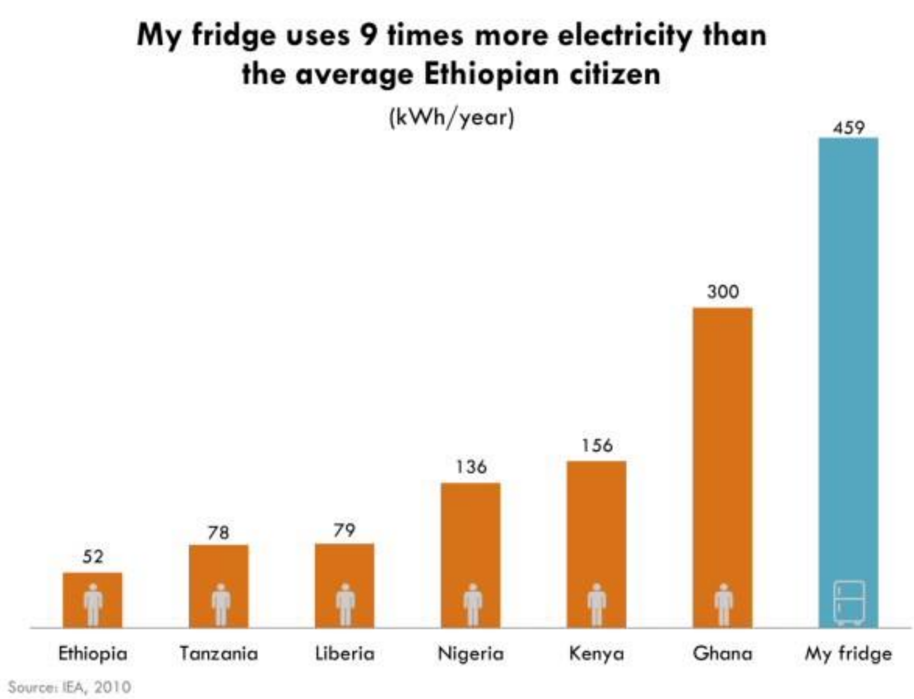
By Todd Moss and Madeleine Gleave, the Center for Global Development

June 25, 2014

What is "energy poverty"?

Energy poverty simply means a lack of affordable, reliable electricity needed to support a comfortable, prosperous standard of living. Billions of the world's energy poor aren't connected to any power source. And for those who are connected to the grid, the actual flow of electricity is sporadic and blackouts frequent.

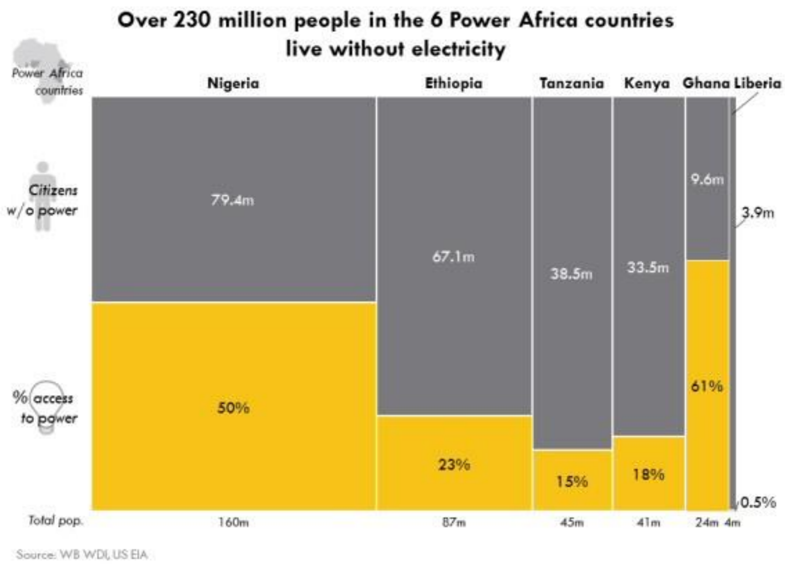
Because of outdated and insufficient infrastructure, many countries do not generate enough electricity to meet growing demand, leaving actual consumption at extremely low levels. The average American uses about 13,200 kWh/year. By comparison, here are the averages for citizens in a few African countries (and Todd's fridge):



Where is energy poverty the most widespread?

According to the International Energy Agency, some 1.4 billion people live without any access to electricity (the lowest level of energy poverty).

About 600 million of those people live in Africa, where only one in three people are connected to power. A few poor countries in other regions have similar electrification rates — like Haiti (28%) and Cambodia (34%) — yet nowhere is the electricity gap as great as in sub-Saharan Africa.



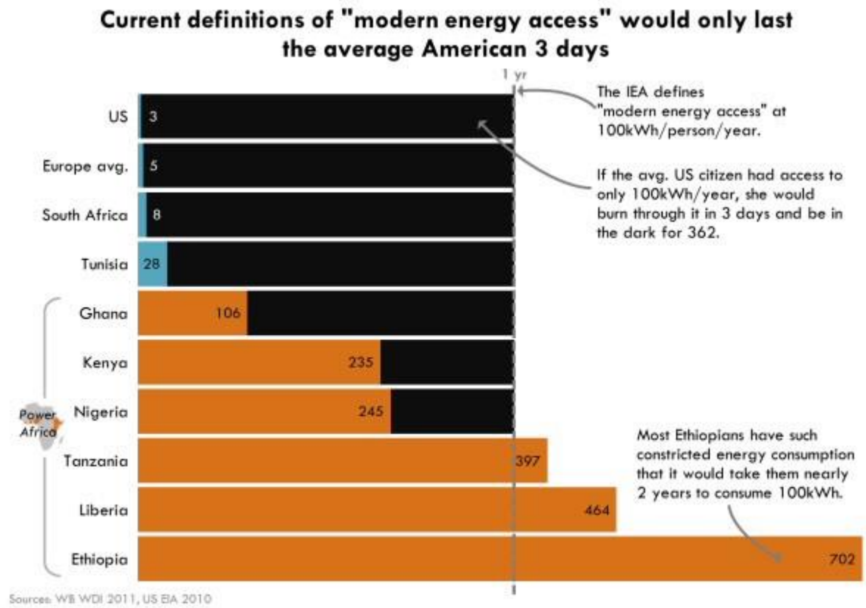
How should we define "energy access"?

One way to define energy access is by setting a reasonable energy poverty line. This line would distinguish between people who have enough access to support a "modern lifestyle" from those who do not.

Similar to the $1.25/day line used to define global economic poverty, setting an energy poverty line can be useful for creating good energy goals, plans, and policies. It can help policymakers think of energy access beyond just hooking a household up to a grid or providing a solar lantern.

Currently, the global energy poverty line is far too low. The International Energy Agency defines "modern energy access" — i.e., the amount of energy needed to support a modern lifestyle — as 100kWh/person/year. However, that's barely enough to power a single 60W light bulb for five hours per day for a year. An American would use that much energy in just three days.

Here's how long citizens in other countries would take to burn through this much energy:



While the United States could be more efficient in our energy consumption, the point of energy access is to be able to use appliances and other modern services that improve quality of life.

Thus, a more reasonable energy poverty line, and therefore better definition of energy access, might be based on energy needs for modern services. TheSustainable Energy for All initiative's five-tier system is an example of how this might be done:

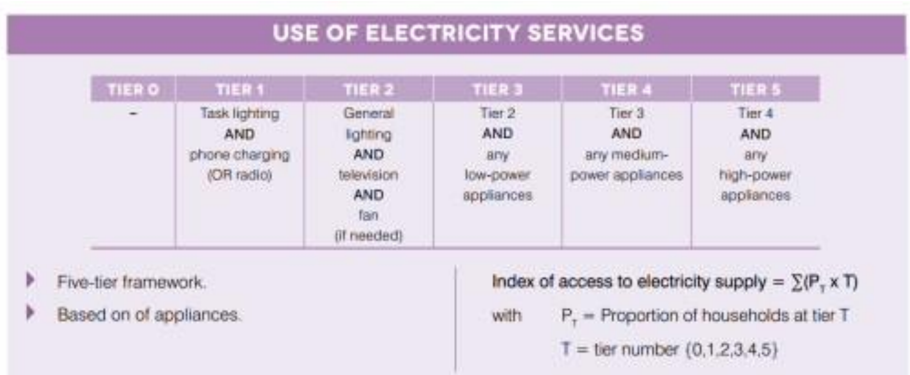
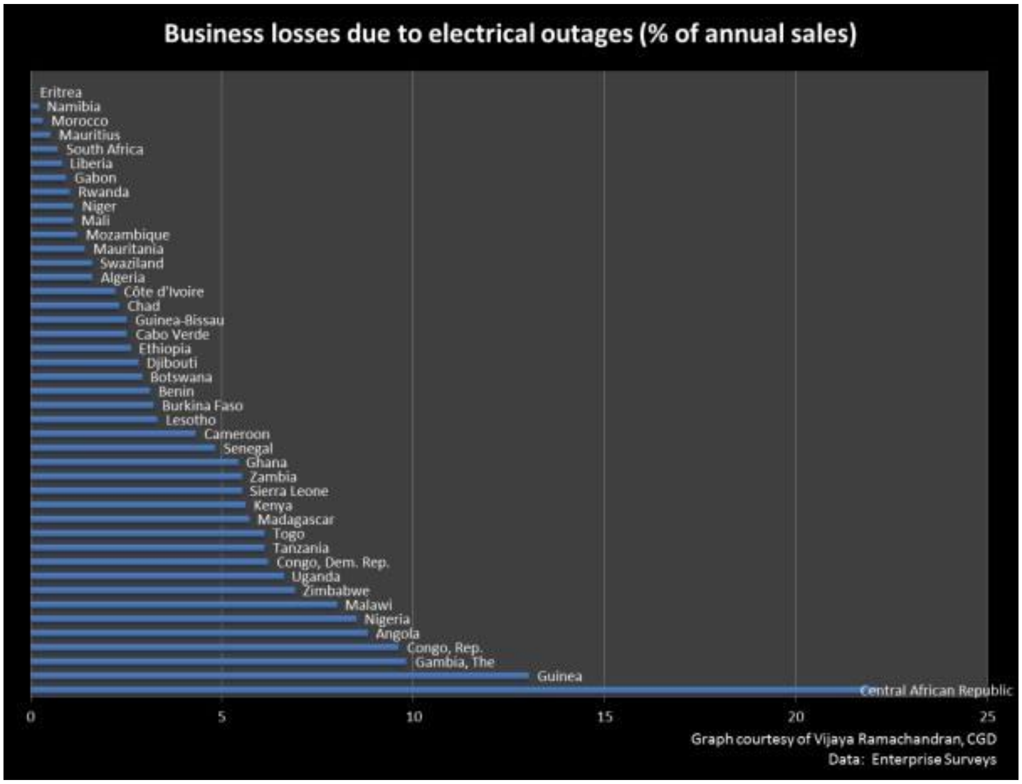


FIGURE 2.3 CANDIDATE FRAMEWORK FOR MULTI-TIER MEASUREMENT OF HOUSEHOLD ELECTRICITY ACCESS

What are the impacts of energy poverty?

Energy poverty literally kills. Research shows indoor air pollution from cooking with wood or charcoal contributes to 3.5 million premature deaths worldwide (1)—more than AIDS and malaria combined. Further, 60% of refrigerators used in health clinics have unreliable electricity, compromising the effectiveness of vaccines and pharmaceuticals. (2) Living without power also affects education and jobs. Students cannot study at night without light, and World Bank surveys found the lack of reliable electricity is a top constraint to business expansion. (3) In fact, many African businesses claim major business losses due to electrical outages:



How can the US help?

The US government has used public investment and public policy to electrify our own country, perhaps most famously the Tennessee Valley Authority in the 1930s. Today, numerous U.S. government agencies are working in partnership with governments and the private sector in Africa to help end energy poverty.

One of the most important components of the U.S. effort is the investments made by the Overseas Private Investment Corporation (OPIC). As the US development finance institution, OPIC supports U.S. companies' efforts to invest in power projects in developing countries.

However, OPIC currently operates under uncertain policies with respect to the types of fuels in which the U.S. can invest for reducing energy poverty in developing countries. For several years, OPIC operated under a policy restricting the carbon footprint of the investments in its portfolio.

Language included in the FY2014 Omnibus Appropriations Act permitted an exemption for one year from this policy for countries eligible for certain World Bank programs. Permanent flexibility to use the fuels most appropriate in each country's context is needed. However, it is crucial that the investments in renewable energy continue to grow at OPIC.

What is Electrify Africa? Is that different from Energize Africa? Or Power Africa?

The Electrify Africa Act (H.R. 2548) is a bill that essentially sets energy poverty in Africa as a priority for US development policies, with a goal to provide new access to 50 million people. It directs USAID, OPIC, USTDA, and US-supported international organizations like the World Bank to increase investment in power projects and energy sector reform, and emphasizes increased reporting and coordination.

The bill also re-authorizes and strengthens OPIC, which is critical for the success of public-private partnerships key to both this act and Power Africa. It was passed in the House on May 8, 2014 with broad bipartisan support.

The Energize Africa Act (S. 2508) is the recently-introduced Senate version of the bill. It shares many of the same goals and provisions as the Electrify Africa Act. The bill requires the Administration to set out a very detailed multi-year strategy for Power Africa and offers additional authorities, tools, and resources for OPIC to achieve its objectives.

The Senate Foreign Relations Committee passed this bill on June 24, 2014 by voice vote. If passed in the Senate, it will go on to be reconciled with the House bill before final approval by Congress.

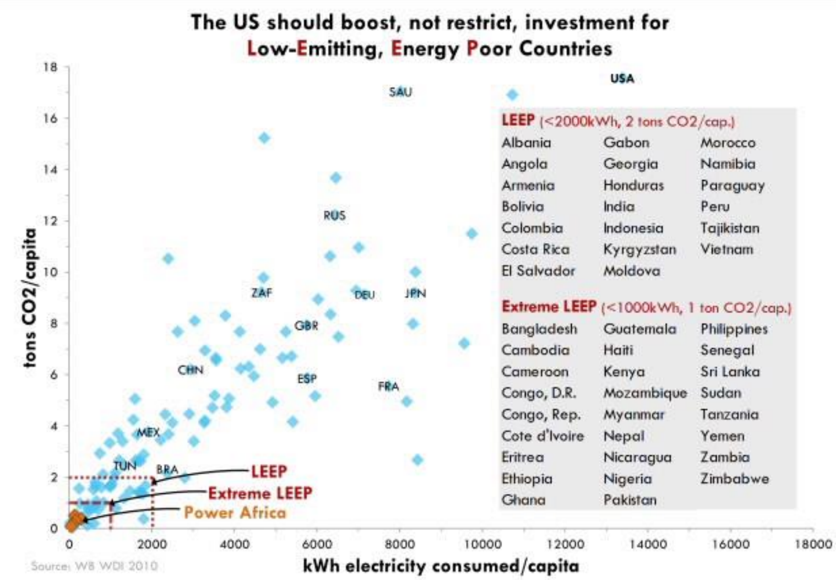
Power Africa, a separate but complementary Presidential Initiative, was announced by President Obama in June 2013. It commits $7 billion in US government support to investment in six participant countries (Ethiopia, Ghana, Kenya, Liberia, Nigeria, and Tanzania).

Under the initiative, numerous government agencies, including the Export-Import Bank, USAID, Millennium Challenge Corporation and OPIC, will mobilize private investment in a pipeline of power projects, adding over 10,000 MW of generation capacity. Although far more capacity will be needed, Power Africa aims to prompt reforms that will pave the way for future investment.

A coordinated focus and support both from the Administration and from Congress (on both sides of the aisle) strengthens the long-run impact of the fight against energy poverty.

What about climate goals? Won't building power plants increase carbon emissions?

There are real tradeoffs in our energy policy choices. Reducing CO2 emissions and promoting clean energy is a critical goal, but it shouldn't be done at the expense of poor people living in countries with the most need and the least emissions. These countries represent such a tiny share of global emissions that restricting our investment there to only zero-carbon fuel sources does almost nothing to solve climate change. However, easing such restrictions for these low-emitting, energy poor (LEEP) countries and supporting affordable energy generation would significantly help end energy poverty.



6. Ethiopia: Ethiopia approves 15 pct spending increase in 2014/2015 budget | Reuters

Source URL: http://af.reuters.com/article/investingNews/idAFKBN0FD0HV20140708
July 8, 2014
By Aaron Maasho

ADDIS ABABA (Reuters) - Ethiopia's parliament approved a 178.6 billion-birr ($9.2 billion) budget for 2014-2015 on Monday, a 15 percent rise from the previous year that will boost spending on education, health and road building.

Strong state intervention has boosted the economy over the past decade and economic growth is set to rise to 8.5 percent in 2014/15 from 8 percent in 2013/14, the International Monetary Fund forecasts.
The IMF has warned that Ethiopia's huge spending on roads, railways and power is suffocating private lending. It says a reduced public expenditure would make room for the private sector to access credit.

The 2014/2015 budget, unanimously endorsed by lawmakers, allocates more than 64 percent of the total amount for development spending. Of that, Addis Ababa will spend 24.55 billion birr on education, up from 22.48 billion the previous year. Health spending will rise 12 percent to 5.15 billion birr and 29 billion birr will be spent on road building.

Infrastructure projects over the last decade include hydro-electric dams and other power projects to offer cheap electricity, and a growing network of roads and railways. Ethiopia, Africa's second-most populous nation after Nigeria, aims to expand its road network to 136,000 km (84,500 miles) by 2015 from less than 50,000 km in 2010. It plans to build 5,000 km of railway lines by 2020. The capital will soon have its own metro, a rarity in Africa.

Defence spending will increase to 8 billion birr, from 7.5 billion, in a country with the largest army in the Horn of Africa. Ethiopia is a key U.S ally in the region and is fighting al Qaeda-linked insurgents in Somalia as part of an African Union mission. It has also deployed peacekeepers in South Sudan.

The 2014/2015 budget runs from July 8 to July 7 next year.

7. Ethiopia: Ethiopia's Electric Power Export Growing – Minister | Ethiopian Radio and Television Agency

Source URL: http://allafrica.com/stories/201406300257.html
June 27, 2014

Ethiopia's effort to create power integration in Eastern Africa consolidates its economic benefits and the capacity to generate power, Alemayehu Tegenu, Water, Irrigation and Energy Minister, has said. The Minister said the power integration not only strengthens the relations among the countries, but also increases the foreign currency earning of Ethiopia.

As a result, the country has earned over 32 million USD during the past nine months, the minister disclosed.
The mega power projects Ethiopia has been building and the growing power demand of the countries in the region shows that the benefits Ethiopia gets from those would grow continuously, Alemayehu elaborated.
Beyond economic benefits, the power integration effort would have pivotal role in stabilizing the region and in strengthening the political and social relationships of the countries, he said.

Due to the above considerations, Ethiopia is contributing its part for the strengthening of power integration, he added.

Currently, Ethiopia provides 100 megawatts of electricity to Sudan and up to 50 megawatts to Djibouti.
Electric power transmission lines with capacity of carrying 2,000 megawatts are also being extended to Kenya to supply power to the country.

The minister added that beyond East Africa, Ethiopia has been undertaking preparatory works to export electricity to Yemen via Djibouti, and electric power will soon be supplied to South Sudan and Somalia. The electric power export does not affect the domestic electric supply, the minister stressed, adding that there is sufficient power.

He attributed the current power interruption to network problem in addition to the growing demand for power.
The minister further noted that Ethiopia produces 2,000 megawatts of electricity and that can definitely meet the current demand of the country.

According to Alemayehu, the current problem is caused by defects on transformers and inability of electric cables to carry loads as well as other factors.

To alleviate the problem, the ministry, in collaboration with Metals and Engineering Corporation (MetEC), is producing from 30 to 35 transformers in a day, the minister stated.

Source: Ethiopian News Agency

8. Ghana: Ghana, others win Renewable Energy funding | Business & Financial Times Online

Source URL: http://www.thebftonline.com/content/ghana-others-win-renewable-energy-funding
July 8, 2014

Nine African countries, including Ghana, have been chosen to receive funding and operational support from the Climate Investment Fund's (CIF) Scaling-up Renewable Energy in Low Income Countries Programme (SREP).
In their final decision, the SREP sub-committee agreed that it will provide up to US$300,000 for each country to undertake development of an SREP investment plan.

The countries were selected at the semi-annual Climate Investment Funds (CIF) governing body meetings held June 25-28 in Montego Bay, Jamaica.

The nine African countries are: Benin, Ghana, Lesotho, Madagascar, Malawi, Rwanda, Sierra Leone, Uganda and Zambia. This increases the number of African countries piloting CIF climate-smart investment plans to 25, nearly half of all 55 countries in sub-Saharan Africa.

The African Development Bank (AfDB), one of the CIF's five implementing agencies, worked with the countries to garner the support and will serve as implementing agency for the countries as they develop their new CIF investment plans.

“This move sends an impressive signal for change,” stated SREP co-chair Erastus Wahome, representative for Kenya, the first country to operationise a CIF transformational geothermal programme in Africa. “The additional donor support for energy transformation is a clear sign of confidence in the success we've already seen taking place in low-income countries in Africa and other regions, and a sign of developing countries' continuing enthusiasm to commit to CIF-style transformation. I am proud that Kenya has helped lead the way for this transformation.”

An independent Expert Group selected the countries from a group of 40 countries expressing interest in joining the SREP. Some of the criteria used to select the countries included low energy access rates, existence of an enabling policy and regulatory environment, renewable-friendly energy development strategies, strong governance capacity, and capacity for implementation. In their final decision, the SREP sub-committee agreed that it will provide up to US$300,000 for each country to undertake development of an SREP investment plan.
At the meetings, governing bodies also welcomed the appointment of Mafalda Duarte, the AfDB CIF coordinator, as new global Programme Manager of the CIF effective August 4.

Duarte also weighed in on the significance of the SREP decision, stating, “We are delighted at this vote of confidence and opportunity for starting a process leading up to new transformational investments for low-income countries' in renewable energy. It is now incumbent on all of us to ensure that the new pilot countries can produce investment plans which are solidly linked to their own development goals and meet CIF criteria. As the new CIF Programme Manager, I am fully ready to ensure effective support to these countries at a level that meets their enthusiasm and commitment”.

Other Africa-relevant approvals made by the CIF Committees include:

- A revised investment plan for Nigeria with US$25million allocated to AfDB for a utility-scale solar photovoltaic (PV) project;
- A revised investment plan for the Middle East and North Africa (MENA) in which AfDB will channel US$119million from the Clean Technology Fund (CTF) to support Noor II and Noor III Concentrated Solar Power (CSP) projects in Morocco;
- Dedicated Private Sector Programmes (DPSPs) that will extend expected financing of US$115million to development of geothermal and solar PV energy in African CIF countries.

In the days immediately prior to the Committee meetings, the CIF also staged its fourth Partnership Forum -- a global gathering of nearly 500 CIF stakeholders including non-governmental organisations, the private sector, and indigenous peoples' representatives.

In the Forum, AfDB and representatives of other key African institutions showcased their extensive learning in the field of climate action. AfDB staff actively participated in the plenary sessions -- focusing on gender, independent monitoring, enabling private sector engagement, and de-risking geothermal exploration.

Further, the AfDB staff had a strong presence at the Forum's Knowledge Bazaar. A critical fact highlighted during the Forum is that a third of Africa's nations are now using CIF and AfDB support to transform their development paths into climate-smart plans for their citizens.
Source: African Development Bank (AfDB)

9. Ghana: Ghanaians undertake grid connected solar training | VibeGhana.com

Source URL: http://vibeghana.com/2014/07/10/ghanaians-undertake-grid-connected-solar-training/

July 10, 2014

The DSTC Solar Training Centre is undertaking the training of 14 Ghanaians in grid connected solar course in Accra. The 10-day training, sponsored by German Development Cooperation (GIZ), will be delivered by Mr Geoff Stapleton, the Master Trainer and assisted by Technical Trainers of DSTC Mr Richard Arthur, and Nicholas Opoku Kwarteng.

Participants for the training are drawn from the energy sector, comprising the Energy Commission, Northern Electricity Company, Volta River Authority and the Electricity Company of Ghana.

Others are the Kwame Nkrumah University of Science and Technology, University of Energy and National Resources, Sunyani, Takoradi Polytechnic as well as some members of the Association of Ghana Solar Industries.
Mr Stapleton told the Ghana News Agency that past trainings had centred on design, installation and maintenance of stand-alone solar systems, and solar water pumping systems.

He said new courses would be introduced periodically in order to expand DSTC services.

Mr Stapleton said the cost of solar panels is trending downwards making it a competitive alternative to
DSTC is an innovative contributor to the wider use of solar energy in West Africa and Ghana in particular.

It has helped to expand the solar market in Ghana and other ECOWASs countries by providing technical training on the design, installation and maintenance of stand-alone solar systems, and on solar water pumping systems.
The training in the grid connected solar course will end on July 18.

DSTC has played an important role in capacity building in the rural districts of Ghana with both technical and business training courses for rural service providers. The company is also offering consultancy services on solar projects and project implementation. GNA

10. Kenya: Bluesea eyes Meru 40-megawatt wind power plant - Money Markets | businessdailyafrica.com

Source URL: http://www.businessdailyafrica.com/Bluesea-Energy-Meru-wind-power-plant/-/539552/2379458/-/r5nuxuz/-/index.html

By CHARLES MWANIKI, cmwaniki@ke.nationmedia.com
Posted Thursday, July 10 2014 at 18:52

- The firm is aiming to generate 200 megawatts of wind power in the Meru/Isiolo area (100 megawatts) and Lambwe Valley in South Nyanza (100 megawatts) by 2017.
- Geologists and meteorologists have in the past said that Kenya has the potential to produce at least 800 megawatts of wind energy.

Bluesea Energy plans to put up a 40-megawatt wind power plant in Meru, making it the second firm to target the county.

The Kenyan firm published a notice on Thursday for public discussion, joining Kenya Electricity Generating Company (KenGen[1]) in investing in the region. KenGen last December disclosed intention to set up a 100-

megawatt wind farm as it seeks to increase the proportion of renewable energy in its production mix. It is targeting production of 3,000 megawatts by 2018, from hydro, geothermal and wind.

“Notice is hereby given that Bluesea Energy Limited…will make an application to the Energy Regulatory Commission (ERC) for the electric power generation licence…to generate power and connect to the national grid at Ntumburi Meru County (40-megawatt wind power),” said Bluesea director of marketing Anthony Ng’ang’a in the notice. ERC director of electricity Joe Ng’ang’a said the regulator is waiting to receive the application.

“The law requires that a company advertises in at least two newspapers of national circulation, to notify that they will apply for a licence in the following 15 days so that anyone with an objection can raise it,” said Mr Ng’ang’a. The Nairobi-based Bluesea Energy, which was formed in 2009, is aiming to generate 200 megawatts of wind power in the Meru/Isiolo area (100 megawatts) and Lambwe Valley in South Nyanza (100 megawatts) by 2017. Geologists and meteorologists have in the past said that Kenya has the potential to produce at least 800 megawatts of wind energy.

It costs between Sh166 million and Sh207 million to produce one megawatt from wind power while a megawatt generated from hydro costs between Sh166 million and Sh250 million, according to the Ministry of Energy.

Among the major wind power projects planned include the 300 megawatt Lake Turkana Wind Power (LTWP) project, which is slated to come online in 2017. The LTWP project last month received a Sh21.75 billion backing from the US, its biggest grant to Kenya’s clean renewable energy bid. The funds will be channelled through the Overseas Private Investment Corporation (OPIC). OPIC is among the organisations spearheading the Power Africa initiative started by US President Barrack Obama, which will provide Sh130 billion ($1.5 billion) to African energy projects over the next five years.

Last year, OPIC also injected Sh17 billion into the Kipeto wind project, which is being implemented by US conglomerate General Electric, a major supplier of wind power turbines. Others are the 61-megawatt Kinangop wind project by Aeolus Kenya, KenGen’s 25.5-megawatt Ngong wind farm, Prunus Energy’s 50 megawatts wind farm in the Ngong Hills, and the 90-megawatt Electrawinds project in Mpeketoni, Lamu.

11. Kenya: Kenya Power injects US$32 million in government subsidised scheme | African Review

Source URL: http://www.africanreview.com/energy-a-power/transmission/energy-investments

Monday, 07 July 2014 07:25

The Kenyan government aims to boost rural electrification across the country.

Kenya Power (KP) company is set to spend US$32mn to connect 8,000 new customers in a government subsidised scheme for low income households especially in rural areas across Kenya

Under the scheme, Kenya Power is targeting prospective customers within a radius of 600 metres from transformers and will be carried out by the Rural Electrification Authority (REA), it said.
“We are connecting customers at a subsidised rate. Subsidy is meant for the needy and deserving customers,” observed Dr Ben Chumo, KP chief executive officer.

In the last year, KP increased connection charges from Ksh 35,000 (US$412) to Ksh 75,000 ($882) – a move the government opposed leading to the subsidy. Last year, the company connected 292,337 new customers compared to 285,277 in 2012.

Since July 2013, the company has connected 272,000 new customers and targets to bring 400,000 households to the grid by the end of this financial year. Meanwhile, half of the government’s budgetary allocation to the REA estimated at $86mn in the 2013/14 financial year will be channelled to individual constituencies to boost rural electrification across the country.

Members of Parliament (MPs) of these constituencies – through the Constituency Development Funds (CDFs) - will oversee the projects to be financed by the REA and dictate zones to be connected to the national grid.
The rest of the funding to the REA will be used by the national government to connect public units such as schools with plans getting underway to rollout free laptops to primary school children.
Overall, the country has 21,222 primary schools with 10,157 connected to the national grid.
The rural electrification authority plans to connect the remaining 11,062 primary school in the next two years.*Mwangi Mumero*

12. Kenya: Kenya seeks investors for two geothermal power plants | Reuters

Source URL: http://in.reuters.com/article/2014/06/30/kenya-geothermal-idINL6N0PB2PR20140630
June 30, 2014

(Reuters) - Kenya invited bids on Monday for the construction of two electricity generation plants from underground gas for a combined 60 MW from geothermal power. Endowed with vast geothermal energy resources in the Rift Valley, the east African nation wants to expand its generation capacity by 5,000 MW by 2017 from about 1700 MW now, to lower tariffs and cut costs of doing business.

The state-run Geothermal Development Company (GDC) said in a notice in a local daily newspaper that the winning firms will be expected to finance the plants and to complete building them by the end of next year. Each plant will generate 30 MW. Independent producers that are selected will be offered a power purchase agreement with distributor Kenya Power, GDC said.

Developing geothermal power plants usually requires high upfront costs, due to the expensive drilling of wells to tap the gas. But the energy source is usually cheaper and more reliable in the long run than thermal power or hydro generation. (Writing by Duncan Miriri; Editing by Sophie Walker)

13. Kenya: Opinion - GE taps smart solutions to Kenya's energy crisis | businessdailyafrica.com

Source URL: http://www.businessdailyafrica.com/Opinion-and-Analysis/GE-taps-smart-solutions-to-Kenya-energy-crisis-/-/539548/2376782/-/oa43ji/-/index.html
July 8, 2014

Five million of Kenya's eight million households are not connected to the national grid, according to the International Finance Corporation, but the private sector is now accelerating the continent's electricity uptake by deploying alternative solutions. General Electric is one of them.

The demand for power has been rising steadily in Kenya. Yet KenGen[1], the State electricity generator that controls three quarters of energy sales in the country, cites the national access rate at just 15 per cent of the population.

The Rural Electrification Authority (REA) puts it at 20 per cent, but cites electricity consumption at just 130 kWh per person, compared with the average 550 kWh per person for Sub-Saharan Africa.The two big constraints on the country's electrification are central generating capacity and the costly transmission across long distances. That need is being made more acute by the current structure of Kenya's core generation capacity.

Kenya has an energy capacity of some 1,500MW against a demand of about 1,300 MW, but more than 60 per cent of that capacity is generated as hydroelectricity — in a country classified as water stressed.

As rain patterns have become more unreliable and key water catchment areas have been destroyed, hydroelectricity output has fluctuated, leading to sometimes severe power rationing.
On this basis, electric power provision has been highlighted as a major pillar in the realisation of national development plan Vision 2030.

The Vision aims to increase the country's energy supply by 5000MW, but also to achieve electricity that is distributed at competitive prices. An element of this strategy is the government's move towards wind power as a cheap alternative that guarantees uninterrupted supply and a clean source.

Kenya's geologists and meteorologists also see the possibility of selling carbon credits to companies in the industrialised world as an added financial advantage of wind power, arguing that Kenya has the potential to produce some 800MW of wind energy.

One wind installed megawatt costs between Sh166 million and Sh207 million to produce, while one hydropower installed megawatt requires between Sh166 million and Sh250 million, according to the Ministry of Energy.

Kenya's electricity costs are the highest in East Africa, after Rwanda, and four times higher than Egypt. In global terms, the equation is even more distressing, with Kenyan manufacturers paying Sh10 to Sh15 per kWh for their electricity, as their competitors in China and India pay the equivalent of Sh2.50 to Sh3.80 per kWh.

This sees manufacturers spending as much as 40 per cent of their input costs on energy alone, according to the Kenya Association of Manufacturers.

The country's electricity consumers, additionally, are now reeling from a "fuel charges" almost as high again as the electricity cost. This has forced many Kenyans to continue relying on wood and oil as the main source of energy at home.

Official statistics show that 68 per cent of Kenyans still rely on biomass as the main source of energy, 22 per cent on oil, and just nine per cent on electricity.

Yet Kenya's potential for solar energy is enormous thanks to its strategic location across the Equator.
Moreover, solar power costs have dropped by 60 per cent in the past five years on technological advances and manufacturing efficiency, with the price of Polysilicon, the main raw material in solar panels, having dropped by 33 per cent in recent years. Yet solar energy so far contributes just three per cent of the country's electricity.
Other countries have been far more interested in the power source, with Spain unveiling a 19.9MW solar power station that is the first in the world to produce 24-hour power, and to use molten salt, rather than oil, to transfer heat generated from concentrated sunlight. The use of salt allows the plant to operate at temperatures of more than 550 degrees Celsius.

Kenya stands a chance to benefit from carbon markets by putting in place mitigation measures including the promotion of energy efficiency and renewable energy technologies according to the government's National Climate Change Response Strategy 2010.

Development of such green energy, the strategy notes, is imperative if the country is to meet the growing demand for energy and reduce foreign expenditures on crude oil and other petroleum products.
Against this backdrop, the government has now adopted a policy that aims to provide 60 per cent of rural communities' energy needs from renewable sources.

These are the opportunities that American energy conglomerate General Electric has positioned itself to seize with alternative energy solutions such as biomass-fuelled jikos, wind powered turbines.

The American conglomerate has, for instance, signed a deal with Burn Manufacturing Company, a social enterprise with an interest in saving forests in the developing world to open a factory in Kiambu that will produce about 3.7 million fuel-efficient wood and charcoal stoves over the next 10 years, creating 300 new jobs in manufacturing and distribution.

The environmental friendly stoves will retail at Sh3,600 each.

GE is also investing millions of shillings in Kinangop's Kipeto wind farm project that seeks to produce 300MW of clean electricity at its Kiserian base – making it the second largest wind farm in Kenya after the Turkana Wind Farm.

Such initiatives are touted to hold the potential of reducing Kenya's power costs from Sh15 per kilowatt hour to Sh7.

Under the Kipeto Wind Energy Project, General Electric will construct a new on-site substation and a 66 kV line to transmit the generated electricity to the national power grid.

14. Kenya: Solar Street Lighting Project Boosts Trade in Homa Bay | The Star

Source URL: http://allafrica.com/stories/201407080411.html

By Habil Onyango, 7 July 2014

Homa Bay County Governor Cyprian Awiti (r), his deputy Hammilton Orata and politician Mark Matunga at Sena Market during the launch of the solar strret lights.

The solar lights which have been introduced in Homa Bay County to curb insecurity and to extend business hours.

It is 8pm. Women are busy serving customers at a busy Shauri Yako open air market in Homa Bay town using small tin lamps as the only source of light.

Boda boda operators are eagerly waiting for customers at a dark packing lot ready to transport them home.

This has been the situation in a number of market centres within Homa Bay County. This has exposed the women and boda boda operators to various security challenges. However, traders in various sectors ranging from shopkeepers, boda boda operators, mama mbogas, butchers among others can now smile -- thanks to the "Okonyo welo" street lighting project.

"Okonyo Welo" -- which literally means 'save visitors' -- has been introduced in various shopping centres and its aim is to extend working hours and improve the region's economy.

In Homa Bay town, the solar lights have been erected at Shauri Yako open air market, Homa Bay market and several other streets.

The solar lights, with rechargeable batteries, usually charge during the day but immediately the sun sets they automatically switch on. The turn off when the day breaks.

Traders and boda boda operators, who used to close their businesses as early as 8pm due to the darkness within the town, are now able to extend their working hours as late as midnight.

Mary Atieno, a fishmonger at Homa Bay Municipal Market, says she now works till 10pm.

"I used to close my business at exactly half past eight due to lack of proper lighting, attacks from stray dogs and even the street children," she said.

"Since the installation of the solar street lights I can now extend my business working hours without worrying about my security or even power blackout."

She said a number of her customers usually come from work late but she is now able to serve them, adding that her income has since improved.

Monica Achieng, a mama mboga at Soko Mjinga market, says these days she registers minimal losses in her business.

"A lot of my vegetables used to go to waste. I used to go home as early as 7.30pm because of insecurity. The steet lighting has greatly improved the security in the area," she said.

Boda boda operators have always been targeted by thugs -- a number of them have been murdered in cold blood in the past.

Gabriel Omondi, who operates at Stage Miwa, said the lights have enhanced security in the town and its environs.

He said they can now operate within the town until late hours without attack from thugs.

"Some of our customers rave until late but nowadays we transport them home without any fear," he said.

The Sh240 million street solar project, which is being implemented in 285 market centers in the whole county, is funded by the Homa Bay County government and a privately owned company, Horizon Media Ltd. The project will be implemented in two phases in the next three years.

The project is expected to enhance security and improve the county's economic growth and to save the environment by using renewable energies.

Speaking recently during the launch at Sena market within Mfangano Island, Homa Bay Governor Cyprian Awiti said the project's objective is to extend market hours to help improve trade and security.

"We are targeting a 24-hour economy and the project is a move towards that direction; we want to drive away the darkness that has restricted business hours in our towns," he said.

"The mama mbogas and boda boda operators will extend their business hours without worrying about their security," Awiti said.

Besides the 285 market centers, the project is expected to be rolled out to major townships such as Mbita, Sindo Magunga, Kendu Bay, Oyugis, Ndhiwa and Rangwe.

Around 450 solar street light masts have been erected in the in the first phase.

"We are starting with 450 street light masts which have been erected in designated market places in the first phase while another 350 will be erected in the second phase," Awiti added.

The county energy and natural resources executive secretary Phares Ratego said Horizon Media Ltd will use the electricity polls to post advertisements.

He said the advertising revenue will be used to provide low interest loans to women and youth to start small businesses.

"This is a long term development project with far reaching benefits to the people," said Ratego.

Homa Bay traders union secretary Jackson Nyambega hailed the initiative but asked the county government to consider rehabilitating the Sh40 million modern market in the town which has been since been abandoned by traders.

"The programme is a good initiative but for traders and their goods to be more secure we appeal to the county government to rehabilitate the market so that we can carry out our activities inside," he said.

15. Liberia: Ellen Reminds America of Power Commitment | The New Dawn

Source URL: http://allafrica.com/stories/201407071488.html

By Winston W. Parley,
7 July 2014

President Ellen Johnson-Sirleaf says she is holding America to its commitment recently made to see the light all over Liberia.

"Most recently, as you pointed out Madam Ambassador, Liberia was selected to benefit from Power Africa Initiative and I hold you to the commitment you just made that we shall see light all over Liberia," said President Sirleaf.

She spoke Wednesday, July 3, 2014 at the Executive Pavilion in Monrovia where the United States' 238th Independence Day Reception was held by its Embassy near Monrovia.

President Sirleaf, among other things, applauded the contributions of the United States' Peace Corps Volunteers and their support of the Training Program, which she said is providing young Liberian graduates the opportunity to work with Volunteers in teaching assignments across the country.

"We have already begun to see the results of these efforts. With the help of the United States, recently, our Government undertook the first rotation of its troops deployed in the Africa-led International Support Mission to Mali (AFISMA)," she said.

President Sirleaf said her government is proud of the quality of services provided by the soldiers and remains grateful to the U.S. for the training and other logistical support which not only made the mission possible, but enabled an important transformation of Liberia from being widely considered an exporter of war to an exporter of peace.

She said after Liberia's years of turbulence, Liberians have renewed their own journey to freedom, liberty, democracy and prosperity. She said the strong examples of America's travel to greatness are not lost upon Liberians.

"We know that if we are to succeed, we must remain courageous to do what is right not just for ourselves but for prosperity. We know that we must sacrifice - perhaps not with blood, but with sweat - to make change possible. We know that we bear the scars that freedom and democracy can inflict, yet we must remain committed to a leadership of transformation in which every Liberian will give more and not less, so that the next generation will do better than the present," President Sirleaf said.

Over the course of a century and a half of bilateral relations, she said Liberia and the United States of America remain bonded by deep ties of friendship, partnership and kinship.

Together, President Ssirleaf says both nations have taken extraordinary steps in strengthening these bonds through partnership dialogues and other initiatives that are mutually beneficial, and have recommitted themselves to continue to explore avenues for greater cooperation and collaboration. She pointed to the young program in which 15 Liberians are now in the United States benefiting from exchange and interaction from other young people from Africa.

Besides, President Sirleaf said another initiative is next month's US-Africa Leaders Summit hosted by President Barrack Obama, to which Liberia has been invited. At that program with other African leaders, she said they will have the opportunity to dialogue about investing in Africa's future, peace and regional security and governing for the next generation.
"We look forward to productive Summit and outcome," she said, and concluded that Liberia continue to benefit

from US cooperation and assistance, especially in the areas of security, accountability, health and human capacity development.

16. Nigeria: '100 million Nigerians have no access to electricity' | Punch

Source URL: http://www.punchng.com/business/business-economy/100-million-nigerians-have-no-access-to-electricity/

July 1, 2014
by Friday Olokor

The Director, International Centre for Energy and Environment Development, Mr. Ewa Eleri, has said about 100 million Nigerians have no access to electricity.

He disclosed this in Abuja during a one-day workshop on renewable energy, organised by Winrock International. The event was held under the theme 'Renewable energy and energy efficiency project' where stakeholders in the power sector called for an improved policy that would encourage the development and marketing of renewable energy in Nigeria. Eleri said only about 18 per cent of the Nigerian population had access to power.

He also shared the view of other stakeholders on renewable energy, stressing that it was to actualise the government's 75 per cent connection target by 2020. He regretted that unlike Kenya and South Africa where government policies had promoted the development of renewable energy, Nigeria had yet to put in place policies that would work towards the actualisation if its 75 per cent target on use of renewable energy.

According to him, the sector needs policies that will create players who can promote renewable energy.
A representative of Winrock international, Mr. Segun Adaju, who gave an overview of the project, said apart from providing technical support to stakeholders, it (the project) would also benefit the agricultural sector, banks as well as providing alternative sources for the fight against HIV AIDS. Adaju also urged banks to key into the project by doing business with the clean energy sector.

He said, "With our 75 per cent target for the use of renewable energy in Nigeria, a well improved government policy would be required to actualise this project. "There is a need to have policies that would help to develop the sector and promote the efforts of renewable energy in the country as it is done in countries like Kenya and South Africa where duties on technology has been abolished."

He said the team was currently discussing with the General Hospital at Abaji in the Federal Capital Territory to introduce solar energy.

"Also, we in talks with some Nigerian banks to finance and do business with the clean energy sector," he added.
The Director of Economic Growth, United States Agency for International Development, Ms. Sharon Pauling, while declaring the workshop open, said that USAID's renewable energy project would among other benefits facilitate the development and financing of the project, as well as promote energy efficiency market. According to her, it will also enhance the capacity of key stakeholders, including financial institutions and universities.

Pauling noted that Winrock would through the project provide technical assistance that would contribute to its broader goal of developing renewable energy in the Nigerian market. The representative of Nigeria Independent Power Company, Aminu Takuna, said it was regrettable that many Nigerian banks were reluctant in financing renewable energy projects. He disclosed that there was an ongoing policy reform in the renewable energy sector, adding that the NIPC would soon forward it to the National Assembly.

17. Nigeria: FG Ramps Up Efforts on Off-Grid Rural Electrification Programme | This Day

Source URL: http://allafrica.com/stories/201407080421.html

By Chineme Okafor,
8 July 2014

The federal government has said that its recent initiative aimed at providing off-grid electricity supply to rural communities across the country will soon go into the next implementation phase.

Minister of Power, Prof. Chinedu Nebo who spoke through his special assistant on renewable energy, Dr. Albert Okorogu recently in Abuja, stated that the next phase of the rural electrification project tagged "Operation Light up Rural Nigeria" is expected to be implemented in partnership with indigenous investors in renewable energy sources.

The Operation Light up Rural Nigeria is an off-grid electrification project initiated by the government to provide solar power to rural communities across the country. President Goodluck Jonathan had launched the pilot scheme of the programme in three rural communities within the Federal Capital Territory (FCT) some months back. Okorogu however stated that the project would be expanded to include private sector financing in the next phase which is planned to capture a good number of rural communities across the country.

He explained that the pilot projects are to be replicated in all senatorial zones of the country.

"The Operation Light up Rural Nigeria Project is still very much on course. We are currently partnering with local or indigenous investors to ensure speedy execution of the electrification programme.

It is the vision of Mr. President to provide steady power to all Nigerians wherever anyone finds himself. The entire electrification project which has been embarked upon is receiving prompt attention. There is no way one will say we are slow, that's not the true picture of what is happening," Okorogu stated.

He further explained: "At the moment, rural communities which are not connected to the national grid are being identified for solar-powered-electricity. I expect that such communities should contact us so that they will be captured as well, in case any of them feel they are left behind." Meanwhile, the ministry of power has announced the initiation of a presidential scheme called the National Power Sector Apprenticeship Scheme (NAPSA).

The ministry noted that the new scheme was envisioned to train artisans, lines men, cable joiners, fitters and machinists on requisite skills needed in Nigeria's emerging power sector.

Nebo was quoted to have told stakeholders in Nigeria's power sector comprising of plant owners, the Transmission Company of Nigeria (TCN) and other key actors that the qualitative skills needed to run a modern power sector were currently lacking in Nigeria.

He also acknowledged the urgent need to find well-trained replacements for retired or outgoing personnel in the country's power sector; the retiring workforce are estimated to be about 90 per cent of the current workforce in the sector.

While disclosing that the scheme will be implemented on the platform of the National Power Training Institute of Nigeria (NAPTIN), Nebo further stated that it will be spread across the states of the federation to be able to accommodate a good number of youths that could be interested in it.

18. Nigeria: Harmonising policies for African energy provision | Africa Review

Source URL: http://www.africanreview.com/energy-a-power/power-generation/harmonising-policies-for-african-energy-provision

July 09, 2014

Opportunities for investment in Nigeria's power generation and distribution infrastructure are set to become more attractive under the next and final phases of privatisation

There are a myriad of problems in Africa's power sector, which need to be overcome to support efforts towards creating new wealth from new business in the continent. A strong value chain is required. Speaking at Africa Rising in Liverpool, UK, Eng. Reynolds Beks Dagogo-Jack, chairman of the Presidential Task Force on Power in Nigeria (http://www.nigeriapowerreform.org/[1]), highlighted the Nigerian situation and requirements for further development and growth.

The privatisation of the Nigerian power sector has been a key priority for President Goodluck Jonathan's administration. Eng. Dagogo-Jack outlined pre-reform and post-reform conditions for Nigeria – for example, there has been a transition from vertically-integrated, government-owned monopoly entities to unbundled utilities with private sector players.

Reform has been undertaken with new private sector players free from liabilities attached to assets, also, and a reconstituted regulator to oversee fair play in the market, based on a cost-reflected tariff-based regime.
One key instrument is NBET, which was formed in 2011 to ensure investments and fair trading conditions could be guaranteed. Eng. Dagogo-Jack stresses that he and his team, and the Nigerian administration, understand well that Investors gravitate towards gaps where there is sanctity of contracts. This lesson was learned during the rapid growth of the country's mobile telecommunications sector in the first decade of this century.

The transition to diversity
Nigeria's electricity market is currently in a transitional phase. The long-term aim for Nigeria's power market is that, by 2015 there will be competition in the wholesale and retail electricity markets, following the introduction of a framework of bilateral contracts this year. By 2020 the government's aim is to achieve 20,900MW effective generation.

Nigeria needs diversity of resource-use, too. There must be fuel diversity for energy security, and Eng. Dagogo-Jack spoke of his government's efforts to develop energy-efficient grid networks based on a mix of oil and gas, of coal, and also of solar, hydro and wind infrastructure. Underpinning such diversity is the drafting of a government policy of bulk power procurement to ensure investor confidence. Eng. Dagogo-Jack concedes that not enough progress has been made on renewables in Nigeria - but he affirms that pressure is being applied to expand in this area.

The regulator is empowered by the Nigerian National Assembly to act independently of government. There is also a new environment in which private sector players are encouraged to enter markets early, to become stakeholders in the nation's progress as it begins to emerge from transitional phase to market maturity. The regulatory framework, which has been designed after research into best practices in other continents, includes dynamic tariff pricing designed to create a sector conducive to investment in the expansion of infrastructure.

Under the privatised environment, existing facilities are set to expand, new power plants are to be constructed, rural electrification is to be prioritised and renewable energies are to become more prominent in the energy mix. There will also be the development and adoption of innovative technologies to reduce power theft.

Human capacity development is also under the spotlight, and Eng. Dagogo-Jack spoke of incentives (for example, income-tax exemption) to induce specialists to come into the country to serve initiatives aligned with the National Power Training Institute of Nigeria (NAPTIN). The technical staff shortfall in Nigeria's energy sector is forecast at 17,441 by 2017, based on the proposed completion of national integrated power project (NIPP) initiatives and federal government (FG) projects - and this represents a grave concern for the Nigerian government.
Concluding his analysis of the Nigerian energy sector, and the value chain available to investors, Eng. Dagogo-Jack said, "An independently-regulated, private-sector led, contractually-driven market has been created. General Electric has set up a US$1bn facility in Calabar.

"Significant companies like Nissan are investing, to make their final product here in West Africa. This is the place where there will be reliable energy for economic development, where the infrastructure has been increased. Nigeria is the place to invest in. The time to invest is now."

19. Nigeria: Nebo inaugurates automated payment system for power sector | DailyPost Nigeria

Source URL: http://dailypost.ng/2014/07/09/nebo-inaugurates-automated-payment-system-power-sector/

By Daily Post Staff on July 9, 2014

The Minister of Power, Prof. Chinedu Nebo, on Tuesday in Abuja inaugurated an automated Power Collect Command Centre meant to ensure transparent revenue collection and payment in the electricity value chain. Nebo said that the centre, which was developed by the Market Operator (MO) in conjunction with the CBN Nigeria Interbank Settlement System (NIBSS), will ensure equitable revenue collection and payment in line with international best practice.

The measure, which is code-named NIBSS/ Power Collect, is aimed at reducing human interaction and its attendant bias in the payment processes in the Nigerian Electricity Supply Industry.

“We Congratulate the Operators of the Nigerian Electricity Supply Industry for a job well done.

“You have done a great job in taking the sector to a whole new level by the development and deployment of the NIBSS-Power Collect system,’’ the minister said.

Nebo urged stakeholders in the power supply chain to key into the system to ensure adequate data capture and transparency in payment system.

He said such stakeholders include the Generating Companies, the Transmission Company and the Distribution Companies.

“We welcome this fresh initiative and we are fully backing the MO to make a success.

“ We would like to seek the indulgence of all market participants to cooperate with the MO and comply with all the rules and requirements necessary for the success of this project,’’ he said.

Earlier, the Executive Director, Market Operator, Mrs Ngozi Osuhor, said the platform is a globally accepted solution tailored for the Nigerian market with its specific peculiarities and challenges.

She described the solution as automated revenue lifecycle management system that will enable the market operator and all the players in the electricity value chain ensure equitable revenue collection and splitting. She explained that it would also give the market operators the tools it required for market price stability. Osuhor said that it would also help Nigerian Electricity Regulator Commission (NERC) the tools it requires for effective regulation of the sector.

“The NIBSS-Power Collect has three major components to it, the data capture and reconciliation system, the e-invoicing and billing system, and payment settlement system which leverages on the NIBSS Direct Debit Workflow,’’ she said.

Mrs Ehinomen Oni, the Assitant General Manager, Market Operator, explained that the platform acts as the treasury bills of the industry.

She also said that the whole solution was to ensure that human interaction was reduced to the barest minimum.

"The market operator is the treasury bills of the industry and the market administrator.

"We are those in charge of determining what every player get based on energy they generate and receive based on what they collect.

"So, this platform is an automated form of managing that process; because money is involved we want to minimise the human interaction to ensure that everyone in the market is satisfied and pleased with the process,'' she said (NAN)

20. Tanzania: Seven Killed Due to Illegal Electricity Connection in Kilimanjaro | Tanzania Daily News

Source URL: http://allafrica.com/stories/201407100880.html

By Deus Ngowi
July 10, 2014

Rombo — RESIDENTS in Kilimanjaro Region have been warned against illegal power connection as seven people are reported to have died from such incidents.

Residents, often assisted by people posing as Tanzania Electric Supply Company (Tanesco) staff, have been causing harm to themselves, their property and other electric power users.

A Tanesco security officer in the region, Mr Alloyce Mndolwa, said those who died were illegally trying to connect power to houses, adding that deaths occurred from April to June, this year.

Mr Mndolwa was speaking to power consumers and stakeholders in Rombo District during a seminar aimed to educate them on safe power use and the dangers associated with it.

He said apart from the seven deaths, 15 people were arrested, 10 of whom had been arraigned charged with different counts. He said Tanesco had decided to employ a participatory approach with its clients so such acts of sabotage should cease.

Tanesco Regional Income Regulating Engineer, Mr Bagabuje Joseph, warned the people against illegal power connection, saying it was dangerous, sometimes fatal, to use shortcuts in power connection.

He said the company discouraged potential clients from dealing with fake company officials 'vishoka,' stressing that those who wish to have power should call at Tanesco offices and follow proper procedures for power connection.

He said illegal connections caused harm to other power users owing to power outage, thus causing damage to household appliances such as fridges, bulbs, radios and television sets.

Customer Service Officer, Ms Grace Kisyombe, urged village executive officers in the region to help Tanesco educate the people against hiring bogus Tanesco employees who promise them that they can facilitate power connection for them.

21. Tanzania: Tanzania needs 3800MW in 11 years | East Africa Business Week

Source URL: http://www.busiweek.com/index1.php?Ctp=2&pI=1460&pLv=3&srI=53&spI=20

By Leonard Magomba
July 06th, 2014

DAR ES SALAAM, Tanzania - Tanzania's annual power demand is expected to increase between 11% to 13% over the coming years.

This is largely due to a combination of a mounting electricity deficit, rapidly growing urbanisation and improving standards of living.

One study shows 'the demand for electricity is expected to increase from 925 MW to at least 3,800MW by 2025."

Much of Tanzania's electricity (approx. 60%) is generated from four hydro-powered stations which, in addition to the usual seasonal variations in rainfall, are experiencing an increase in the occurrence and intensity of droughts.

This significantly reduces Tanzania's generating capacity to between 25% and 45% during severe droughts. This causes extensive and severe power outages, a statement availed to East African Business Week reads.

In 2010, Tanzania had an installed electricity generation capacity of 887 MW, only 660 MW of which was available to the Grid. In the same year, electricity demand exceeded available capacity by 33.2%.

In the last seven years the Tanzanian electricity industry has achieved limited success in diversifying its energy feedstock mix and it is recognised that coal fired power electricity generation will play a major role in the future.

The Minister for Mineral Resources, Prof Sospeter Muhongo has said coal-based power is scaleable and flexible enough to plug any gaps in generating capacity. Earlier this year, Prof. Muhongo said independent power producers cost Tanzania Electric Supply Company (TANESCO) Tsh27 billion ($16 million) every month. TANESCO is the country's power utility and fully owned by the government.

According to the World Coal Association, coal-fired power is the most widely used means of electricity generation in the world, providing 41% of global electricity.

"Coal fired power stations have a relatively low capital cost, construction time is relatively short and, at the end of operations, have low remediation costs," he said.

Edenville Energy is exploiting the Rukwa coalfields in eastern Tanzania.

Success would help diversify Tanzania's energy feedstock in partnership with a power provider. Progressing Tanzania's brownfield Rukwa Coalfields towards a commercial development decision such as the Rukwa Coalfields - Mkomolo, Namwele and Muze projects - previously mined, near-surface coal deposits.

22. Tanzania: ZECO Vows to Connect Rural Homes With Electricity | Tanzania Daily News

Source URL: http://allafrica.com/stories/201407080562.html
July 8, 2014

Zanzibar — ZANZIBAR Electricity Company (ZECO) has vowed to continue taking power to rural areas in order to ensure the service brings economic change to the people. ZECO General Manager, Mr Hassan Ali Mbarouk, made the pledge when addressing Kilombero villagers in North Unguja Region.

Mr Mbarouk said the Rural Electrification Project which started in 1982 has brought a lot of positive changes under which a total of 280 villages in Unguja and Pemba islands have benefitted so far.

"The rural electrification project, whose objective is to assist the people access electricity, is still in operation and we aim to ensure all villages are connected," he said. He said the services would be speeded up, adding that power connection would also address the problem of clean and safe water in rural areas.

People in Kilombero village in Kitope constituency are yet to enjoy clean and safe water as well as electricity. For his part, the local legislator, Mr Seif Ali Iddi, urged ZECO to ensure electricity reached the area soon.

Mr Seif, who is also Zanzibar's Second Vice-President, donated 20m/- to assist in power connection to a well for the purpose of distributing clean water in the area.